

DEPARTMENT OF STATE

AIRGRAM

POL 33-5 INDON-
MALAYSIA
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INT	LAB	TAR
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ARMY	CIA	NAVY
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OSD	USIA	NSA
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OST	MSC	NSC
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[2] Treaty Cards
HANDLING INDICATOR

TO : Department of State

INFO : Amembassy KUALA LUMPUR
Amconsul MEDAN

FROM : Amembassy DJAKARTA

DATE: November 15, 1969

SUBJECT : Continental Shelf Resource Boundaries Agreement

REF : Djakarta 7756
EA

COPYFILE-PBR

1969 NOV 20 PM 1 50

The enclosure to this airgram is a copy of the "Agreement Between the Government of the Republic of Indonesia and the Government of Malaysia relating to the Delimitation of the Continental Shelves Between the Two Countries". Ratifications were exchanged November 7, 1969.

Comment

The two governments had previously accepted the principle of a median line between their outermost land territories at low tide. It is clear, however, that in the interest of establishing a relatively straight and unambiguous line, the principle was applied with great flexibility. Both sides seem to have relinquished a portion of claims implied in their agreements with private oil companies, in all three areas where the boundary was to be established -- the Straits of Malacca, off the east coast of Malaya and northwest of Sarawak.

An Embassy officer/ has discussed the newly agreed boundary with representatives of several oil companies, including Continental Oil Company, which is very happy with the settlement. (Continental has areas on both sides of the boundary east of Malaya.) The oil companies and Indonesian government officials are in agreement that the greatest significance of the agreement is not in the details of the boundary, but rather in the reduction of the possibility of future disputes. It is a very encouraging development that such a

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POL:Purnell (In draft)

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Page 2 of A- 414
from Djakarta

potentially explosive problem was resolved amicably and quietly before it had a chance to become a political issue.

It is of interest that the agreement states that it will not affect any future agreement on delimitation of territorial water boundaries. Both Indonesian and Malaysian government officials have publicly expressed interest in settling this problem soon.

GALSWORTHY

Enclosure: *all in m*

Agreement on Continental Shelves.

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